# Ausgold moves to a Larger 5Mtpa Gold Operation at Katanning Gold Project

## Highlights:

- **Scoping Study completed based on existing Prefeasibility Study (PFS) clearly indicates viability of a larger 5 Mtpa operation which will form the basis of the Definitive Feasibility Study (DFS) at the 100% owned, multi-million-ounce Katanning Gold Project.**
- **Study outcomes include:**
  - *Projected average gold production of 155,000 oz pa over first six years and an average 136,000 oz pa over the 10-year Scoping Study evaluation period at average head grade of 1.05 g/t Au*
  - *30% increase in average annual gold production to PFS*
  - *Lower strip ratio (W:O) of 4.1*
  - *Increase of pre-tax project $NPV_5$ to $819M by 63% when compared to PFS*
  - *20-month payback period, and a post-tax IRR of 46%, with a 10-year life of mine*
  - *All-in Sustaining Cost (AISC) of $1,549 oz*
  - *Pre-production capital cost of $297M, including 7% contingency*
  - *Same PFS level Mineral Resources and Mine Plan at a lower cut-off grade 0.45g/t*
- **Study is based on prices and costs updated from Q3 2022 PFS to current:**
  - *A$2,750 gold price*
  - *A$2,200 open pit optimisation*
  - *25% increase in mining costs*
  - *5% increase in capital and other operating costs*
- **A considerably larger Resource of 85.6Mt @ 0.94g/t Au for 2.64Moz is presented at a lower cut-off grade of 0.45 g/t Au as part of this announcement.**
- **Resource upgrade which will include additional new drilling is planned for early Q3 CY2023.**
- **DFS remains on track with expected completion in Q4 CY2023.**
- **Underscores the Katanning Gold Project as the largest undeveloped, free-milling, open cut, gold project in Western Australia.**

Ausgold Limited (ASX:AUC) (**Ausgold**, or the **Company**) is pleased to announce the results of a scoping level study (the **Scoping Study)** which demonstrates the potential for a larger scale, 5 Mtpa throughput at the Katanning Gold Project (**KGP** or the **Project**). This increased throughput would be capable of delivering, on average, 136 koz pa over a ten-year life of mine (**LOM**) using the same mine plan determined in the KGP Prefeasibility Study (**PFS**) in August last year (ASX, 1 August 2022).

ABN 67 140 164 496
Level 1, 307 Murray Street, Perth WA 6000
**T:** 08 9220 9890 **F:** 08 9220 9820 **E:** info@ausgoldlimited.com **W:** www.ausgoldlimited.com

The 5 Mtpa throughput option from the Scoping Study indicated:

- *LOM revenue of A$3.64 Bn*
- *LOM project EBITDA A$1.63 Bn*
- *LOM pre-tax free cashflow of A$1.14Bn*
- *LOM post-tax free cashflow of A$770 M*
- *Pre-production capital requirement of A$297 M*
- *Pre-tax $NPV_5$ of A$819M*
- *Post-tax $NPV_5$ of A$541M*
- *Post-tax internal rate of return (IRR) of 46%*
- *Payback period of 20 months*

## Management Comment

**Commenting on the Scoping Study, Ausgold Managing Director, Matthew Greentree, said:**

*"Following the results of the 2022 PFS, this Scoping Study clearly indicates increased scale from the PFS level mine plan producing 163 k more ounces than the PFS over life of mine.*

*More importantly in the first six years, higher gold grades deliver an extra 174 koz from what was determined in the PFS. The LOM average production profile of over 136 koz pa delivers an early payback within the first 20 months, even with the additional capital required for a larger 5 Mtpa operation, which is estimated to be $297M. The 5 Mtpa scenario delivers a pre-tax $NPV_5$ of A$819M, a post-tax $NPV_5$ of A$541M and a post–tax IRR of 46% which strongly supports a debt-equity funding model.*

*This Scoping Study was undertaken to assess the optionality of the KGP while progressing the DFS. The Project demonstrates potential for further production scale and delivers a number of outcomes:*

- *High gold production and cash flow enables early payback of initial capital*
- *Location provides access to supporting infrastructure, work force and stable low cost energy with access to renewable sources from grid*
- *Large Resource delivers a long mine life and provides opportunities to further optimise production with consideration of different mining scenarios*
- *Updated Resource due in Q3 2023 will further expand current mine plan*

## *Disclaimer*

The Scoping Study referred to in this announcement has been undertaken to evaluate the option for a larger operation than contemplated in the Ausgold Prefeasibility Study (PFS) (ASX Release, 1 August 2022). It is a preliminary technical and economic study of the potential viability of the Katanning Gold Project only. It is based on lower level technical and economic assessments that are not sufficient to support the estimation of Ore Reserves. Further evaluation work and appropriate studies are required before Ausgold will be in a position to estimate any ore reserves or to provide any assurance of an economic development case with respect to the Katanning Gold Project.

The Scoping Study is based on the material assumptions outlined throughout this announcement. These include assumptions about the availability of funding (considered in further detail in the 'Project Finance Estimates' section below). While Ausgold considers all of the material assumptions included within the Scoping Study to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

The Study attached to this Announcement is based on the August 2022 Prefeasibility Study (ASX Release, 1 August 2022) and a revised Resource which is presented within this announcement in Appendix 1 and 2.

The Company confirms that, other to the extent set out in this announcement, it is not aware of any new information or data that materially affects the information regarding the Company's Maiden Ore Reserve and PFS included in the original market announcement (ASX Release, 1 August 2022) and that all material assumptions and technical parameters underpinning the estimates therein (other than to the extent updated in this announcement) continue to apply and have not materially changed. Ausgold confirms that the form and context in which the Competent Person's findings are presented with respect to the Maiden Ore Reserve and PFS have not been materially modified from the original market announcement.

**Table 1 Comparison of Key LOM Financial and Physical Metrics[1]**

| Key Metrics | Prefeasibility Study 2022 | 2023 Options Study[2] | |
|---|---|---|---|
| **Processing Rate** | 3 Mtpa | 3 Mtpa | 5 Mtpa |
| **Gold Price Assumption A$ per Ounce Gold** | A$2,300 | A$2,750 | A$2,750 |
| Life of Mine | 11 years after 1.5 years construction | 11 years after 1.5 years construction | 9.75 years after 1.5 years construction |
| Ore Tonnes Mined | 32 Mt | 32 Mt | 44 Mt |
| Stripping Ratio | 9.0 | 9.0 | 4.1 |
| Average gold grade – LOM | 1.25 g/t Au | 1.25 g/t Au | 1.05 g/t Au |
| Contained Gold | 1.28 Moz | 1.28 Moz | 1.48 Moz |
| Cut-off Grade | 0.6 g/t Au | 0.6 g/t Au | 0.45 g/t Au |
| Average gold production (recovered) – LOM | 105 koz | 105 koz | 136 koz |
| **Recovered Gold** | **1.16 Moz** | **1.16 Moz** | **1.32 Moz** |
| **Financial Metrics** | | | |
| Revenue | A$2,669M | A$3,191M | A$3,641M |
| All in Sustaining Costs – LOM | A$1,481 per oz | A$1,699 per oz | A$1,549 per oz |
| Net free cashflow (pre-tax) | A$746M | A$1,000M | A$1,141M |
| Net free cashflow (post-tax) | A$540M | A$719M | A$770M |
| EBITDA – Life of Mine | A$981M | A$1,248M | A$1,627M |
| Payback period (post-tax) | 21 Months | 19 Months | 20 Months |
| NPV (pre-tax) | A$515M | A$702M | A$819M |
| NPV (post-tax) | A$364M | A$492M | A$541M |
| Internal Rate of Return (IRR) post-tax | 41% | 48% | 46% |
| **Capital Expenditure and Closure Costs** | | | |
| [3]Pre-Production Capital and Operating Costs | A$225M | A$243M | A$297M |
| Sustaining Capital Costs | A$31M | A$29M | A$38M |
| Closure Costs | A$8M | A$11M | A$13M |

[1] *Pit shells were optimised using a A$2,200 gold price.*

[2] *Financial analysis based on $2,750 Au / oz gold price with inflated 5% operating and capital cost inflation and a further 25% inflation on mining costs than what was considered in the 2022 PFS cost (ASX Release, 1 August 2022).*

[3] *Preproduction capital includes a 7% contingency.*

**Table 2 Mineral Resource estimates as at 22 May 2023**

| Material | Cut-off grade (g/t Au) | Measured | | | Indicated | | | Inferred | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Tonnes | Grade (g/t Au) | Ounces | Tonnes | Grade (g/t Au) | Ounces | Tonnes | Grade (g/t Au) | Ounces | Tonnes | Grade (g/t Au) | Ounces |
| Oxide | 0.45 | 895,700 | 0.94 | 27,000 | 2,906,940 | 0.80 | 74,950 | 219,190 | 0.69 | 4,880 | 4,021,830 | 0.83 | 106,820 |
| Transitional | | 3,491,620 | 1.13 | 126,460 | 6,456,540 | 0.85 | 176,700 | 242,415 | 0.77 | 5,990 | 10,190,580 | 0.94 | 309,150 |
| Fresh | | 22,755,050 | 1.05 | 766,800 | 32,381,680 | 0.94 | 983,110 | 14,811,540 | 0.85 | 404,105 | 69,948,270 | 0.96 | 2,154,010 |
| Fresh - Underground | 1.80 | | | | | | | 560,000 | **3.25** | 59,000 | 560,000 | **3.25** | 59,000 |
| Tailings | 0.00 | | | | | | | **870,000** | **0.35** | **9,730** | **870,000** | **0.35** | **9,730** |
| **Total** | | **27,142,000** | **1.05** | **920,000** | **41,745,000** | **0.92** | **1,235,000** | **16,700,000** | **0.82** | **480,000** | **85,590,000** | **0.94** | **2,640,000** |

*Notes: The Mineral Resource is reported at a lower cut-off grade of 0.45 g/t Au and above 150 m RL (approximately 220 m depth). The underground Mineral Resource is reported at a 1.8 g/t Au cut-off grade and beneath 150 m RL. Figures may not sum due to rounding. See estimation details in appendix 1.*

For further detail information regarding the Scoping Study, refer to the updated material information and assumptions outlined. The Scoping Study Mineral Resource was prepared and reported in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code, 2012 edition) (the **JORC Code**). Please refer to the respective Table 2 regarding the Mineral Resource prepared in accordance with the JORC Code and included as Appendix 2 to this announcement. The PFS Maiden Ore Reserve was prepared and reported in accordance with the JORC Code. The Scoping Study did not update the Company's Maiden Ore Reserve. Please refer to the respective Table 1 regarding the Maiden Ore Reserve prepared in accordance with the JORC Code and included in the 1 August 2022 announcement as **Appendix 2** for further information regarding the Company's Maiden Ore Reserve.

Please note, none of the Company's production targets included within the Scoping Study findings set out above are based on inferred mineral resources.

## Summary of Material Information

**Mineral Resource**

The 2022 Mineral Resource Estimate (ASX, July 2022) is reported at a lower cut-off grade (COG) of 0.45 g/t Au cut-off grade in comparison to the PFS Mineral Resource (COG of 0.6 g/t Au) to account for additional material that was not considered in the previous PFS level mining studies. The Mineral Resource estimate is presented in Table 2 above at a lower cut-off grade of 0.45 g/t Au, when compared with the Company's Mineral Resource Estimate (ASX, July 2022) which recognises the lower economic cut-off grades used as a basis for the Scoping Study mining schedules. The Mineral Resource estimates and tables are presented in further detail in Appendix 1.

**Material Assumptions & Outcomes**

Open pit mine scheduling for the Scoping Study is based on realistic mining productivity demonstrated in the PFS (ASX Release 1 August 2022), with readily achievable mining rates and consistent material movements. This is based on a typical mining fleet for a gold mining operation in Western Australia. Pit shells were optimised using at a A$2,200 gold price.

**Mining Method & Assumptions**

The mining operating cost estimates for the two scenarios have been updated by Resolve Mining consultants providing escalated cost assumptions to account for increases in unit rates and diesel prices from the date of estimation of the 2022 PFS. The open-cut mine production plan for the 3.0 Mtpa scenario has been updated from the 2022 PFS but incorporates no changes to the designs or cut-off grade, whereas, the 5.0 Mtpa scenario includes an updated mine production plans generated utilising the materials defined at the 0.45 g/t cut-off grade remaining within the 2022 PFS mine design. The 0.45 g/t cut-off grade has increased the potential mill feed tonnage to 44.7 Mt at an average grade of 1.05 g/t and lowered the stripping ratio to 6:1. All the 44.7 Mt of mill feed is Indicated or better, with no Inferred mineralisation include in the production plan. In addition, a further 20 Mt of low-grade material between 0.3 – 0.45 g/t Au remain on stockpiles following the completion of mining which further lowers the stripping ratio to 4.1.

The updated production plans have been targeted to achieve required ore processing rates within a total mining rate limitation of 35.0 Mtpa. These targets have been achieved for both scenarios for the mine life. Mining rates required for the two scenarios are within 10% of each other with the main variance being the quantity of material being placed and reclaimed from the lower grade stockpiles, and within a similar variance to the 2022 PFS.

An open-cut mine production plan was generated around the mining inventory which targeted between 3 Mtpa and 6 Mtpa of ore processing and a total mining rate (waste and ore) limitation of 35 Mtpa. These targets can be achieved for a mine life of more than 10 years using a 0.45 g/t Au cut-off grade.

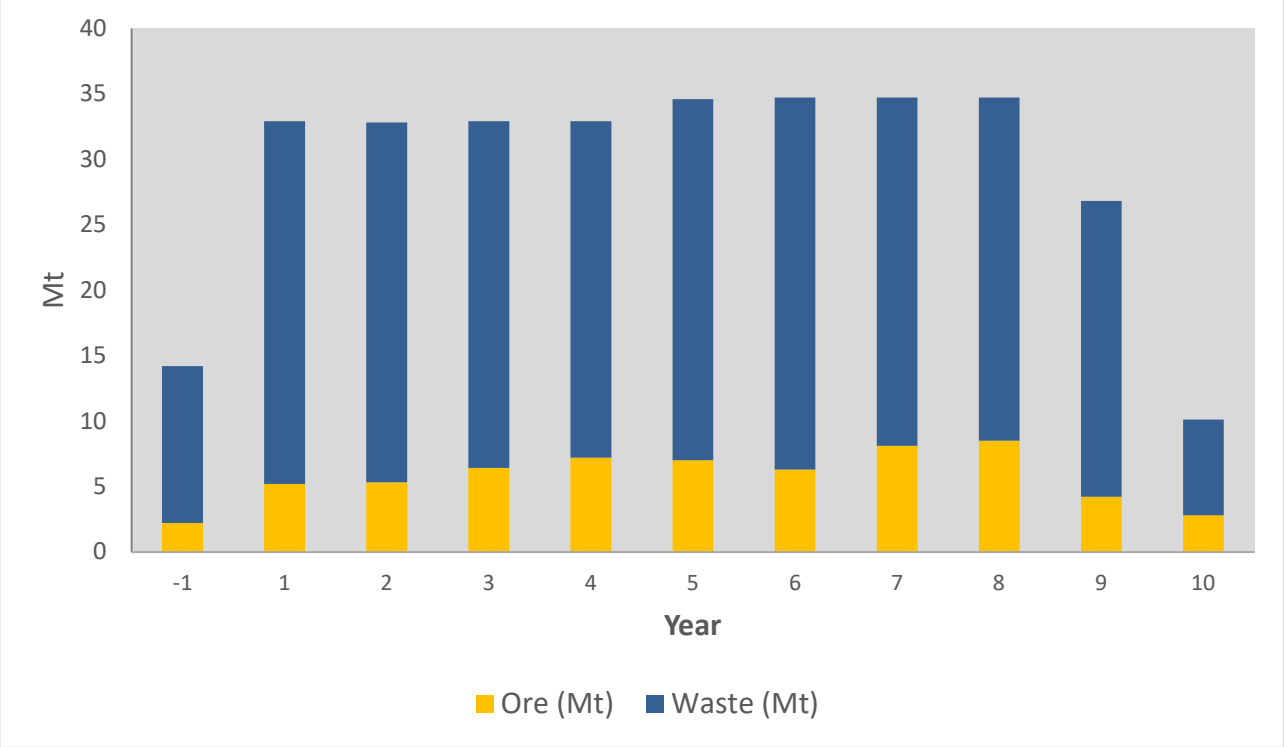


**Figure 1 Annual Mining plan for 5mtpa option**

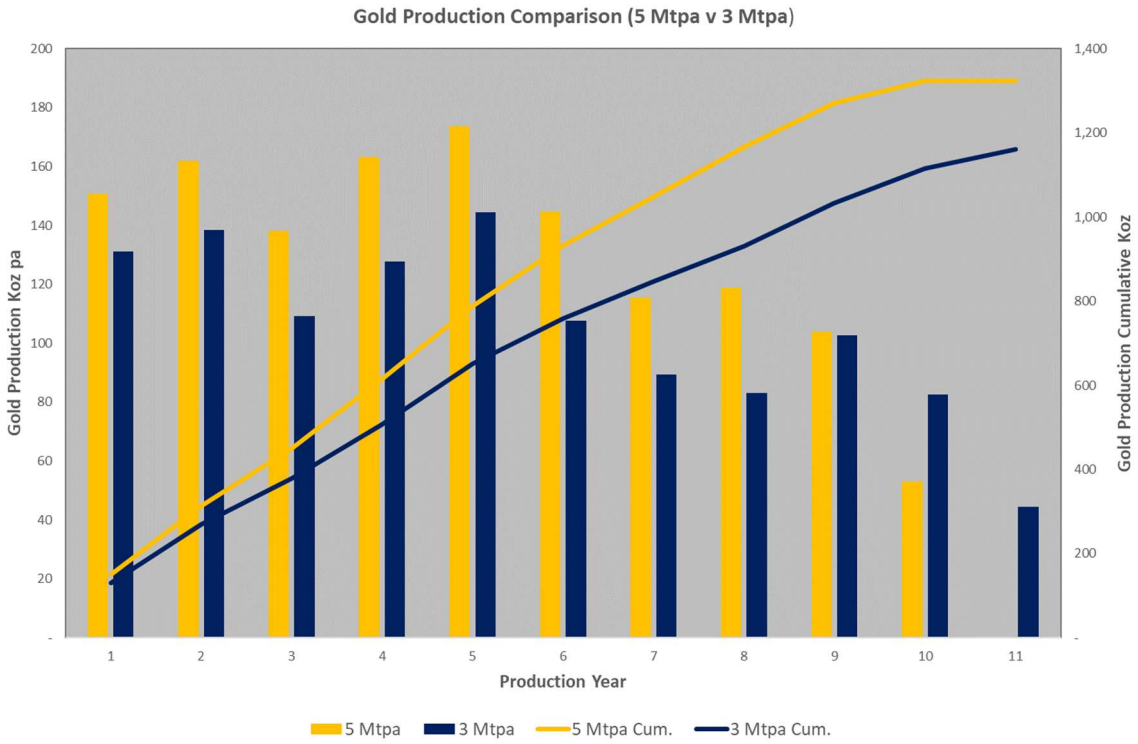


**Figure 2 Comparison of Annual Gold Production from 3 Mtpa and 5 Mtpa Scenarios**

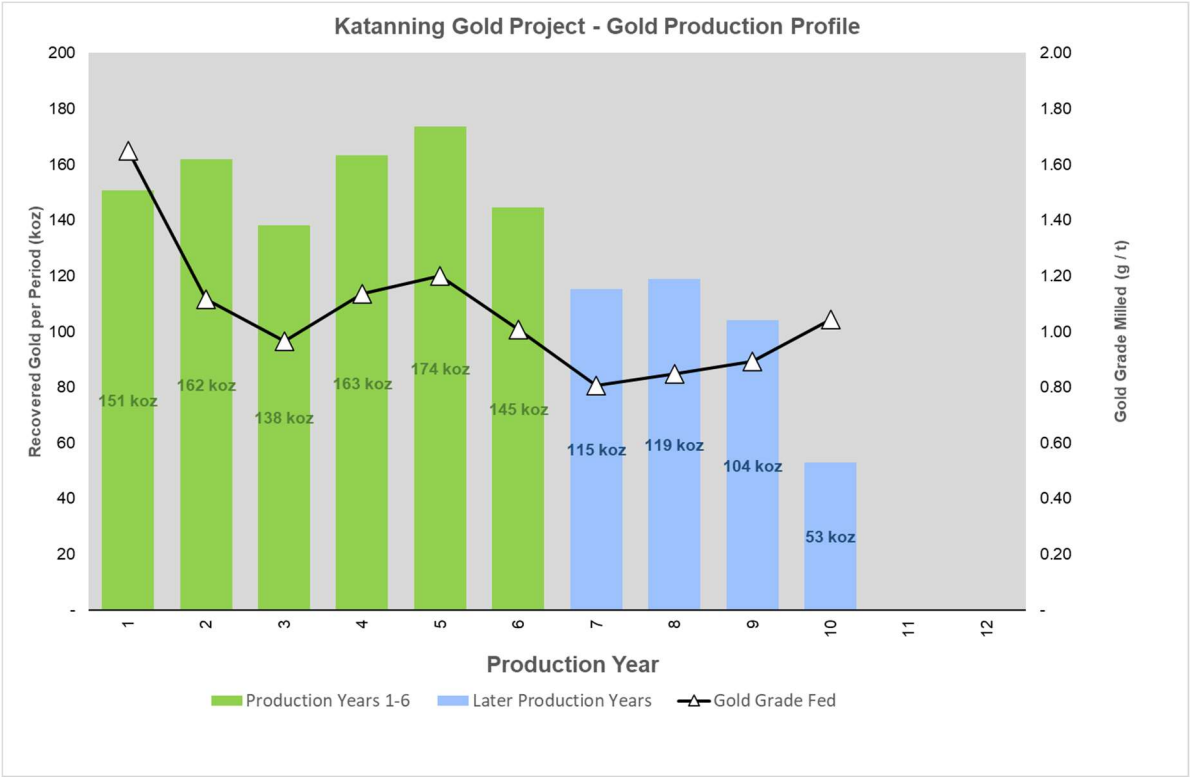


**Figure 3 Annual Gold Production of the 5 Mtpa Scenario**

**Processing Method & Assumptions**

The onsite processing plant will treat a blend of oxide, transitional and fresh gold-bearing ores from the KGP's open pits. The Scoping Study considered processing throughputs of 3 Mtpa and 5 Mtpa, assuming the same process flow determined in the 2022 PFS: from the ROM pad ore is fed into a jaw crusher, then crushed ore is conveyed to an SABC (SAG mill, ball mill and recycle crushing) grinding circuit, which also includes a gravity circuit to segregate larger gold particles, and size classification cyclones to separate coarse ore from targeted grind size particles. Gravity gold is delivered to an intense leach reactor. Targeted grind size ore is directed to a Carbon in Leach (CIL) circuit where fine gold is extracted. Following the elution circuit, gold is recovered via electro-winning and smelting. The Scoping Study assumes the same metallurgical recoveries established by the PFS test work, which was used to develop a grade-recovery curve. An average recovery higher than 90% is expected over the LOM.

The cut-off grade (COG) based on project economics with open pit mining has been optimised to a 0.6g/t Au COG for the 3 Mtpa scenario and a lower COG of 0.45 g/t Au for higher throughput scenarios.

**Table 3 Project Cash Costs with 3 Mtpa PFS and Scoping Study 3 Mtpa and 5 Mtpa Cases Shown for Comparison.**

| | | PFS (2022) | | 3 Mtpa | | 5 Mtpa | |
|---|---|---|---|---|---|---|---|
| | **Description** | **LOM (A$M)** | **Per ounce (A$/oz)** | **LOM (A$M)** | **Per ounce (A$/oz)** | **LOM (A$M** | **Per ounce (A$/oz)** |
| C1 Costs | Refining & doré transportation costs | 6 | 5 | 6 | 5 | 7 | 5 |
| | Third-party royalties | - | - | - | - | - | - |
| | Mining operating cost | 941 | 810 | 1,151 | 992 | 1,061 | 802 |
| | Processing operating cost | 557 | 480 | 585 | 504 | 726 | 549 |
| | General & Administration | 119 | 103 | 123 | 106 | 130 | 98 |
| | **Subtotal - C1 Costs** | **1,623** | **1,399** | **1,865** | **1,607** | **1,924** | **1,453** |
| C2 Costs | Initial Capital Depreciation | 197 | 170 | 209 | 180 | 257 | 194 |
| | Sustaining Capital Depreciation | 31 | 26 | 29 | 25 | 38 | 29 |
| | **Subtotal - C2 Costs** | **1,851** | **1,595** | **2,102** | **1,812** | **2,219** | **1,676** |
| C3 Costs | WA State Royalty | 65 | 56 | 78 | 67 | 89 | 67 |
| | **Subtotal - C3 Costs** | **1,916** | **1,651** | **2,180** | **1,879** | **2,308** | **1,743** |
| AISC | Initial Capital Depreciation | (197) | (170) | (209) | (180) | (257) | (194) |
| | **All-in Sustaining Cost (AISC)** | **1,719** | **1,481** | **1,971** | **1,699** | **2,051** | **1,549** |

*Note: Figures are rounded to the nearest $A1M and rounding errors may be incurred.*

## Sensitivity Analysis

The Scoping Study results demonstrate a robust economic case with a gold price of A$1,962/oz required to achieve NPV breakeven (inclusive of all initial, ongoing and closure capital and operating costs). An evaluation of sensitivity to gold price was conducted in the range of A$2,000/oz to A$3,200/oz. The after-tax cashflow, NPV and IRR results are shown in Tables 4 – 6.

**Table 4 Sensitivity Analysis NPV Post-Tax**

| | PFS | Scoping Study | |
|---|---|---|---|
| Gold Price | 3 Mtpa | 3 Mtpa | 5 Mtpa |
| $ 2,000 / oz | A$188M | A$43M | A$26M |
| $ 2,300 / oz | **A$364M** | A$226M | A$234M |
| $ 2,750 / oz | A$628M | **A$492M** | **A$541M** |
| $ 3,000 / oz | A$774M | A$639M | A$710M |
| $ 3,200 / oz | A$891M | A$757M | A$845M |

*$NPV_5$ – NPV with 5% discount rate applied; figures are rounded to the nearest $A100k and rounding errors may be incurred. Highlighted are results those presented*

**Table 5 IRR Sensitivity to Gold Price**

| | PFS | Scoping Study | |
|---|---|---|---|
| Gold Price | 3 Mtpa | 3 Mtpa | 5 Mtpa |
| $ 2,000 / oz | 26% | 10% | 8% |
| $ 2,300 / oz | **41%** | 28% | 26% |
| $ 2,750 / oz | 60% | **48%** | **46%** |
| $ 3,000 / oz | 71% | 58% | 56% |
| $ 3,200 / oz | 79% | 66% | 63% |

*Note: Figures are rounded to the nearest $A1m and rounding errors may be incurred*

**Table 6 Post-Tax Project Cashflow**

| | PFS | Scoping Study | |
|---|---|---|---|
| Gold Price | 3 Mtpa | 3 Mtpa | 5 Mtpa |
| $ 2,000 / oz | A$299M | A$105M | A$79M |
| $ 2,300 / oz | **A$540M** | A$357M | A$358M |
| $ 2,750 / oz | A$899M | **A$719M** | **A$770M** |
| $ 3,000 / oz | A$1,099M | A$921M | A$996M |
| $ 3,200 / oz | A$1,258M | A$1,082M | A$1,177M |

*Note: Figures are rounded to the nearest $A1m and rounding errors may be incurred*

## Project Finance Estimates

The production targets and key financial estimates included within this announcement are established in accordance with clause 29 of the JORC Code as an economically mineable Mineral Resource. All forward-looking financial and economic statements contained within this announcement regarding the Maiden Ore Reserve rely on compliance with the parameters of JORC Code ore reserve reporting and are accordingly established on reasonable grounds.

The PFS (ASX Release, 1 August 2022) estimated a funding requirement of A$225 million in pre-production capital costs covering the capital and operating costs applicable from the start of plant production to the end of plant commissioning and the start of gold production. In connection with the Scoping Study, these costs have been escalated to reflect 2023 costs and cost estimates of a processing plant with an increased production capacity.

Realisation of production targets and key financial estimates arising out of the PFS are dependent upon, and subject to, the assumption that the Company will have the necessary financial capacity to deliver those results. To achieve the range of outcomes indicated in the Scoping Study, funding in the order of $297 million in pre-production capital costs will likely be required. These costs represent the capital and operating costs applicable from the start of plant production to the end of plant commissioning and the start of gold production.

Ausgold is considering funding alternatives with the assistance of specialist natural resources investment bank, Argonaut PCF (Strategic Review). Argonaut will assist Ausgold on considering traditional and non-traditional non-dilutive funding alternatives for the development of KGP. Argonaut and the Company will conduct a company-wide strategic review which will consider the range of pathways available to unlock the considerable value of the KGP for shareholders and will be undertaken in parallel with current exploration and feasibility study workstreams.

While noting that outstanding funding requirements are not guaranteed, the Company considers it has reasonable grounds to assume that suitable capital funding will be available to support pre-production capital expenses identified in the Scoping Study. In reaching this conclusion, the Company has considered the following factors in addition to general market conditions and economics of the Project:

- the size of the upfront capital expenditure required (approximately A$297m) compared to the Company's current market capitalisation, which indicates (as at the date of this announcement) an approximate 5:2 ratio of outstanding capital expenditure to current market capitalisation, which the Company considers to be a capital expenditure leverage ratio comparable to other exploration entities within the mining industry in Australia;
- the Company's current financial position, particularly including the absence of existing material debt liabilities; and
- the Company's track record of raising capital, in particular the Company's consistent record of equity support.

## About Ausgold Limited

Ausgold Limited (ASX: AUC) is a gold exploration and development company based in Western Australia.

The Company's flagship project is the Katanning Gold Project, located 275km south-east of Perth and approximately 40km north-east of the wheatbelt town of Katanning. Ausgold holds a dominant ground position in this relatively underexplored greenstone belt, an area prospective for Archean gold deposits. The current Resource at Katanning is 2.64 Moz gold (Table 7).

Ausgold's portfolio also includes the Doolgunna Station Cu-Au project and the Yamarna Ni-Cu-Co project in Western Australia and the Cracow Au Project in Queensland.

**Table 7 - Current Mineral Resource**
(details in ASX release 22 May 2023)

| | Tonnes (Mt) | Grade (g/t) | MOz Gold |
|---|---|---|---|
| Measured | 27.1 | 1.05 | 0.92 |
| Indicated | 41.7 | 0.92 | 1.24 |
| Inferred | 16.7 | 0.85 | 0.48 |
| **Total** | **85.60** | **0.94** | **2.64** |

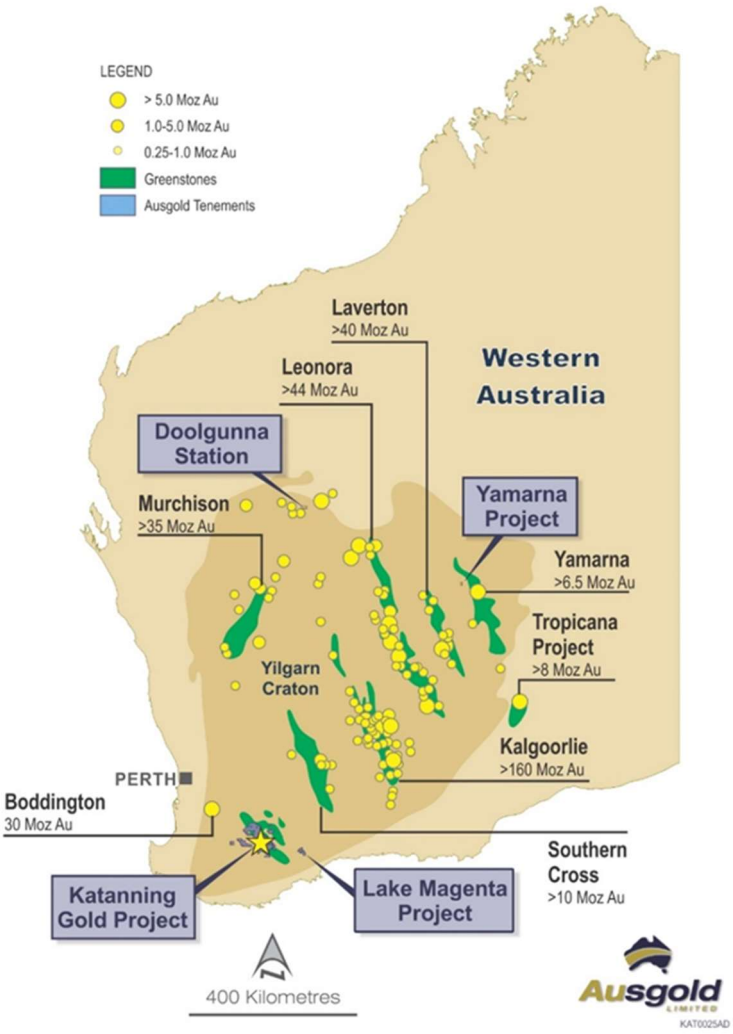


**Figure 4 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts**

The Board of Directors of Ausgold Limited approved this announcement for release to ASX.

On behalf of the Board
**Matthew Greentree**
**Managing Director**
Ausgold Limited

For further information please visit Ausgold's website or contact:
Matthew Greentree
Managing Director, Ausgold Limited
T: +61 (08) 9220 9890
E: info@ausgoldlimited.com

## Competent Persons' Statements

The information in this statement that relates to the Mineral Resource estimates is based on work carried out by Dr Michael Cunningham of Sonny Consulting Services Pty Ltd, Mr Daniel Guibal of Condor Geostats Services and Dr Matthew Greentree of Ausgold Limited in 2021 and 2022. The information in this statement that relates to the Ore Reserve estimates is based on work carried out by Mr Andrew Hutson of Resolve Mining Solutions in 2022.

Dr Greentree is Managing Director and a shareholder in Ausgold Limited. Dr Greentree takes responsibility for the integrity of the Exploration Results, including sampling, assaying, QA/QC, the preparation of the geological interpretations, and Exploration Targets. Dr Michael Cunningham is an option holder in Ausgold Limited and takes responsibility for the Mineral Resource estimates for the Jackson, Olympia, Dingo and Datatine deposits. Mr Daniel Guibal takes responsibility for the Mineral Resource estimates for the Jinkas and White Dam deposits.

Dr Cunningham, Mr Guibal and Dr Greentree are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code, 2012 edition).

Mr Hutson is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code, 2012 edition).

The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

## Forward-Looking Statements

This announcement includes 'forward-looking statements' as that term is understood the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Ausgold Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Ausgold Limited's future expectations. Readers can identify forward-looking statements by terminology such as 'aim', 'anticipate', 'assume', 'believe', 'continue', 'could', 'estimate,' 'expect', 'forecast', 'intend', 'may', 'plan', 'potential', 'predict', 'project', 'risk', 'should', 'will' or 'would' and other similar expressions.

Risks, uncertainties and other factors may cause Ausgold Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the timeframe and within estimated costs currently planned; variations in global demand and price for commodities; fluctuations in exchange rates between the US dollar and the Australian dollar; the failure of Ausgold Limited's suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements.

The information concerning possible production in this announcement is not intended to be a forecast, but relates to internally generated goals set by the Board of Directors of Ausgold Limited. Ausgold's ability to achieve any targets will be largely determined by its ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary offtake arrangements with reputable third parties. Although Ausgold Limited believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

## Currency and Cost Assumptions

All financial amounts in this report are expressed as Australian dollars as either 'A$' unless otherwise indicated. Costs have been estimated in Q1 2023 Australian dollars and are not escalated or inflated. Cashflow discounting begins after construction and during the ramp-up period.

## APPENDIX 1 – Mineral Resource

### Gold mineralised lodes

The gold mineralisation occurred in separate lodes folded around a quartz monzonite sill separating gold mineralisation. The most significant in terms of contained ounces is the Jinkas–White Dam lode, representing a single folded lode. The Jinkas lode is reported above the quartz monzonite and White Dam lode below the quartz monzonite. The quartz monzonite is interpreted to have intruded during peak metamorphism and after mineralisation. The quartz monzonite forms the core of a major tight WNW-plunging synform; it follows the northerly plunge and extends over a 4,200 m strike length. It is thickest at the Olympia resource area and thins towards the south, to the Rifle Range prospect where it is eroded at surface.

**Jinkas** has one primary lode adjacent to the quartz monzonite and 25 defined secondary subparallel lodes, striking NNW and dipping at approximately 35° to the ENE. The Jinkas lodes are defined along a 3,300 m strike length and extends 480 m down dip. The primary Jinkas lode is between 10 m and 25 m thick and the secondary lodes are on average between 3 and 5m thick.

**White Dam** consists of the hangingwall lode, which is the folded continuation of the Jinkas footwall lode. Two additional lodes lie approximately 20 m beneath the main hangingwall lode and 30–50 m above the Jackson lodes. The revised model connects the White Dam and Jinkas lodes through the thickened Jinkas South fold hinge position, which extends over a strike length of approximately 3,300 m. The primary White Dam lode is between 10 m and 25 m thick and the secondary lodes are between 3 m and 5 m thick.

The Mineral Resource estimates for Jinkas–White Dam were prepared from a total of 26,195 lode composites from 1,147 drill holes. Drill spacing is variable and ranges from 20 m to 40 m along section lines at a spacing of 20–80 m. The dataset comprises a mix of shallow vertical holes (mainly on the western side of the deposit) and deeper holes angled at 60° towards 244°.

The Mineral Resource estimates for the **Olympia** deposit were first reported in the 2018 Mineral Resource announcement. Drilling to the north, along strike from Jinkas, has demonstrated continuity between the two deposits, despite some displacement from interpreted strike-slip faults.

Interpretation of a revised model consisting of 24 mineralised lodes extending over a strike of 1,500 m shows mineralisation remains open along strike to the south and north. The Mineral Resource estimates were prepared from a total of 902 (1 m) lode composites from 118 drill holes, where drill spacing is variable and ranges from 30 m to 100 m along 20–100 m spaced section lines. This included 246 new lode composites from 36 drill holes completed since the December 2021 model update. Most holes are angled at 60° towards 244°.

**Jackson** consists of 32 subparallel lodes striking to the NNW and dipping at approximately 30° to the ENE. The Jackson lodes are located approximately 30–50 m below the White Dam lodes. The Jackson lodes have defined strike lengths up to 5,000 m and dip extents ranging from 285 m to 624 m. Lode thicknesses average between 3 m and 5 m. The lodes have been interpreted from the surface to a depth of 160 m.

The Mineral Resource estimate for Jackson was prepared from a total of 5,137 (1 m) lode composites from 1,665 drill holes. This included 791 new lode composites from 138 drill holes completed since the December 2021 model update. Hole spacing is variable and ranges from 20 m to 60 m along 30–120 m spaced drill lines. The dataset comprises a mix of shallow vertical holes (mainly in the southern half and on the western side of the deposit), and deeper holes angled at 60° towards 244°.

The Mineral Resources for the **Dingo** deposit were re-estimated based on a revised geological and mineralisation model derived from new drilling. The estimates were prepared from a total of 8,946 (1 m) lode composites from 457 holes, including 47 new holes with 929 (1 m) composites. The Dingo deposit occurs as a standalone deposit in the Southern Zone of the KGP, extending over 1,900 m of strike and dip extents ranging from 220 m to 420 m. In all, 16 mineralised lodes were interpreted. The average lode thickness is approximately 5 m.

**Mineral Resource Estimation**

The estimation of Mineral Resources was conducted in accordance with industry best practice for gold resource estimation and the Mineral Resources were classified in accordance with the guidelines of the 2012 edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code 2012). The Mineral Resource estimate was released to the Australian Securities Exchange in May 2022.

The geological models were revised using new geoscientific information collected during the exploration campaigns completed up to March 2021. Wireframes of gold mineralisation >0.3 g/t Au and major geological units were developed by Ausgold and Sonny Consulting.

A Mineral Resource Statement is given in Table . Sections 1–3 of the JORC Code Table 1 are included (Ausgold's ASX Announcement of 25 May 2022).

A mining block model was produced to estimate internal dilution for the Ore Reserves (blocks of 2.5m by 2.5m by 2.5m).

The primary changes were as follows:

- Samples were composited to 2.5m to match bench heights.
- Top-cuts changed on 2.5m composites to the following:
  - Jinkas/White Dam hangingwall top-cut: 42 g/t Au (*a further spatial distance restriction – 15m at 30 g/t Au – was applied to the high-grade samples)
  - Jackson/White Dam top-cut: 12 g/t Au
  - Olympia top-cut: 6 g/t Au
  - Dingo top-cuts: 14 g/t Au.
- Variogram models changed for 2.5m composites.
- Block model selective mining unit (SMU) change of support from 10m by 10m by 1m to 2.5m by 2.5m by 2.5m.
- Estimates for Olympia and Jackson were obtained by conventional proportional block modelling using Ordinary Kriging.
- Estimates for Dingo and Jinkas–White Dam were obtained by using Uniform Conditioning on panels of 10m by 10m by 1m. As a result of the Uniform Conditioning process, grade-tonnage curves of 2.5 m by 2.5 m by 2.5m SMUs were obtained for each panel. Using a technique called Localised Uniform Conditioning (LUC), individual SMUs were then determined within each panel.

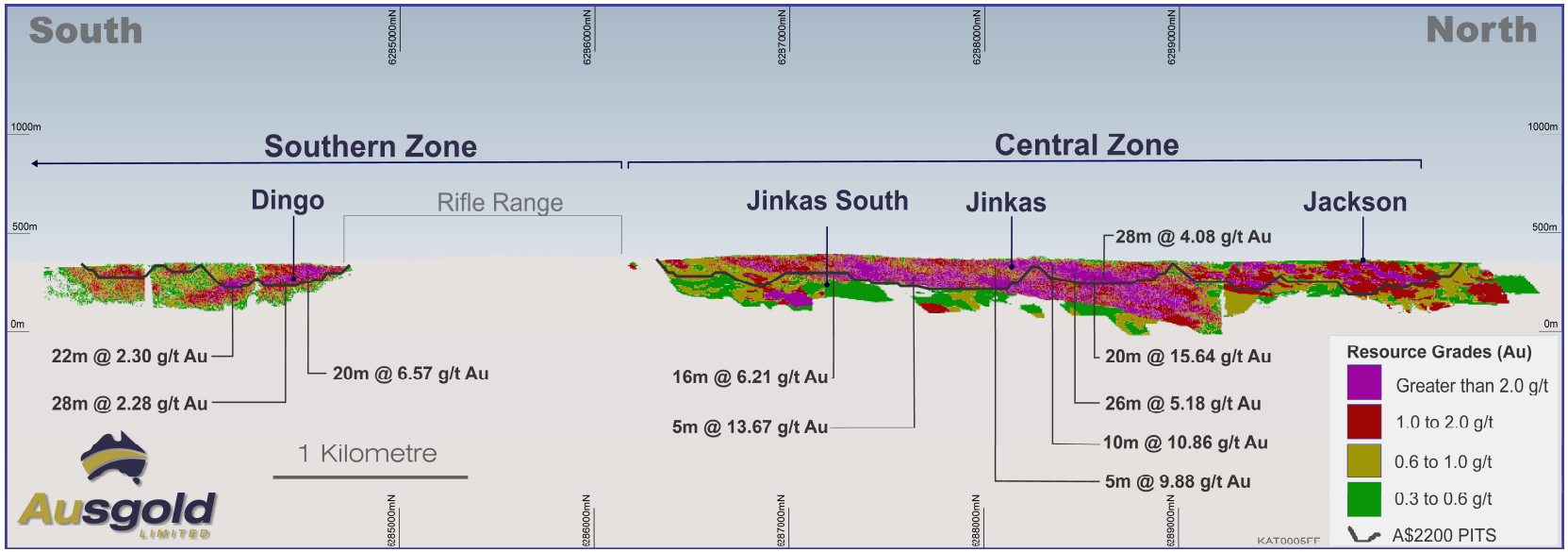


**Figure 5 Long section looking west through KGP Resource with the designed PFS A$2,200 pits**

**Table 8 Mineral Resource estimates as at 22 May 2023**

| Material | Cut-off grade (g/t Au) | Measured | | | Indicated | | | Inferred | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Tonnes | Grade (g/t Au) | Ounces | Tonnes | Grade (g/t Au) | Ounces | Tonnes | Grade (g/t Au) | Ounces | Tonnes | Grade (g/t Au) | Ounces |
| Oxide | 0.45 | 895,700 | 0.94 | 27,000 | 2,906,940 | 0.80 | 74,950 | 219,190 | 0.69 | 4,880 | 4,021,830 | 0.83 | 106,820 |
| Transitional | | 3,491,620 | 1.13 | 126,460 | 6,456,540 | 0.85 | 176,700 | 242,415 | 0.77 | 5,990 | 10,190,580 | 0.94 | 309,150 |
| Fresh | | 22,755,050 | 1.05 | 766,800 | 32,381,680 | 0.94 | 983,110 | 14,811,540 | 0.85 | 404,105 | 69,948,270 | 0.96 | 2,154,010 |
| Fresh - Underground | 1.80 | | | | | | | 560,000 | **3.25** | 59,000 | 560,000 | **3.25** | 59,000 |
| Tailings | 0 | | | | | | | **870,000** | **0.35** | **9,730** | **870,000** | **0.35** | **9,730** |
| **Total** | | **27,142,000** | **1.05** | **920,000** | **41,745,000** | **0.92** | **1,235,000** | **16,700,000** | **0.82** | **480,000** | **85,590,000** | **0.94** | **2,640,000** |

*Notes: The Mineral Resource is reported at a lower cut-off grade of 0.45 g/t Au and above 150 m RL (approximately 220 m depth). The underground Mineral Resource is reported at a 1.8 g/t Au cut-off grade and beneath 150 m RL. Figures may not sum due to rounding.*

# Appendix 2 – JORC Table

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | *JORC Code explanation* | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | The database that Ausgold has compiled for the KGP area contains over 4,062 drill holes, totalling over 234,137m of drilling comprising a variety of techniques, including diamond coring (DD), reverse circulation (RC), aircore (AC), and rotary air blast (RAB). Approximately 24% of the holes (14% of the metres) were drilled prior to Ausgold's involvement in 2011, and the derived information is hereafter referred to as historical data.<br><br>Only RC and DD data were used for the preparation of the Dingo, Jinkas, Jackson, White Dam, Olympia and Datatine Resource estimates, equating to approximately 3,387 holes and 41,030 samples (totalling 41,180m) used directly for estimation after compositing to 2.5m.<br><br>Only limited information is available for the historical programs, and the descriptions below primarily pertain to the Ausgold programs. The validity of the historical data has been assessed by local comparisons with the Ausgold data.<br><br>**RC Drilling**<br><br>Samples from RC drilling were collected in one metre intervals in mineralised zones with a 1/8 split for assay, split by a cyclone-mounted cone splitter or standalone splitter, bagged in pre-numbered calico bags and the remainder retained in large plastic bags. In non-mineralised zones, a spear sample was collected from each 1m interval and composited to 3m. Where composite samples returned assays at or above 0.5 g/t Au, the original 1m samples were riffle split and submitted for assaying.<br><br>Each RC metre sampled weighed approximately 2 to 3 kg. The samples were sent to a range of Perth based laboratories (ALS, SGS, QAS, Ultratrace and Minanalytical) for sample preparation and assaying. For photon analysis from 2021 onwards (Minanalytical), samples were crushed to -3mm and split to produce a 500g sample for analysis (PAAU02). For fire assay analysis from 2013-2021, the samples were sorted, weighed, dried, crushed to -2mm in a jaw crusher then subsequently pulverised to achieve a nominal particle size of 85% passing <75µm to create 50g charges for analysis. Prior to 2013, analysis was via 40g aqua regia with an AAS finish.<br><br>**DD Drilling**<br><br>Samples were nominally collected at 1m intervals; however, where appropriate the geologist adjusted these intervals to match geological intervals.<br><br>The samples were sent to Perth based laboratories (ALS, SGS, QAS and Ultratrace) for sample preparation and assaying. The samples were sorted, weighed, dried, crushed to -2mm in a jaw crusher then subsequently pulverised to achieve a nominal particle size of 85% passing <75µm to create 50g charges for fire assay analysis with an AAS finish. Prior to 2013, analysis was via 40g aqua regia with an AAS finish. |

| Criteria | *JORC Code explanation* | Commentary |
|---|---|---|
| ***Drilling techniques*** | • *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).* | The sample data used for resource estimation were derived from RC or diamond core drilling.<br>**RC Drilling**<br>The RC drill rigs were equipped with 139mm to 143mm diameter face-sampling bits.<br>**DD Drilling**<br>Diamond core drilling was conducted using HQ or NQ coring equipment (triple and standard tubes). Drill core was orientated at least every 3-6m. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/ coarse material.* | **RC Drilling**<br>A semi-quantitative estimate of sample recovery was done for each sample. Drill sample recovery approximates to 100% in mineralised zones.<br>Samples were typically collected dry, with variations from this recorded in the drill log.<br>The cyclone-mounted cone splitter, or standalone splitter, was cleaned thoroughly between rod changes. The cyclone was cleaned every 30m, or between rod changes when the sample is wet. In addition, the cyclone was generally cleaned at the base of transported cover and the base of complete oxidation, and after each hole to minimise cross- hole contamination.<br>**DD Drilling**<br>A quantitative measure of sample recovery was done for each run of core. In completely and partially weathered zones core was drilled using the triple-tube method to maximise recovery. Recoveries were generally excellent (>90%), with reduced recovery in the initial near- surface sample and transported cover material.<br>The relationship between sample recovery and grade and whether bias has been introduced has not been investigated at this stage. |
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | All holes in the current program have been geologically logged to a high level of detail to support the definition of geological domains appropriate to support Mineral Resource estimation and classification.<br>**RC Drilling**<br>Representative rock chips from every metre were collected in chip trays and logged by the geologist at the drill site.<br>Lithology, weathering (oxidation state), veining, mineralisation and alteration are recorded in detail using standard digital logging sheets and defined look-up tables to ensure that all data is collected consistently. Logging data is entered using tablet computers. All data is validated by the logging geologist before being entered in an AcQuire database.<br>All chip trays are photographed using a SLR camera and images recorded using the cloud-based Imago system. Historical chip trays are currently being re-photographed. |

| Criteria | *JORC Code explanation* | Commentary |
|---|---|---|
| | | **DD Drilling**<br>Lithology, weathering (oxidation state), structure, veining, mineralisation and alteration are recorded in detail using standard digital logging sheets and defined look-up tables to ensure that all data is collected consistently. In addition, structural and geotechnical logging is also completed on diamond core.<br>Logging data is entered using tablet computers. All data is validated by the logging geologist before being entered in an acQuire database. Geotechnical logging is not possible on RC samples.<br>All core trays are photographed using a SLR camera and images recorded using the cloud-based Imago system. Historical core tray photographs are currently being uploaded to the imago system. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | **RC Drilling**<br>RC samples were collected from each 1m interval from the rig mounted cone splitter or standalone splitter configured to give a 1/8 split.<br>Field duplicates (additional split from RC) were collected at a frequency of 1 in 30 or 1 in 20 samples.<br>QAQC samples consisting of certified standards and blanks were inserted in the sequence of assay samples at a frequency of 1 in 25 or 1 in 50 samples. The blanks were inserted as pulps during the initial drill programs and as both pulp and coarse blanks for subsequent programs.<br>For photon assay analysis from 2021 onwards (Minanalytical), samples were crushed to -3mm and split to produce a 500g sample for analysis (PAAU02). For fire assay analysis from 2013-2021 (ALS, SGS, QAS and Ultratrace), samples were sorted, weighed, dried, crushed to -2mm in a jaw crusher then subsequently pulverised to achieve a nominal particle size of 85% passing <75µm to create 50g charges for fire assay with an AAS finish. Prior to 2013, analysis was via 40g aqua regia with an AAS finish.<br>**DD Drilling**<br>NQ or HQ drill core was split with a diamond bladed core saw, with half or quarter core sent for assay.<br>Samples were nominally collected at 1m intervals; however, where appropriate the geologist adjusted these intervals to match geological intervals.<br>QAQC samples consisting of certified standards and blanks were inserted into the sequence of assay samples at a rate of 1 in 25 or 1 in 50 samples. The blanks were inserted as pulps during the initial drill programs and as both pulp and coarse blanks for subsequent programs.<br>At a range of Perth based laboratories (ALS, SGS, QAS and Ultratrace), samples were sorted, weighed, dried, crushed to -2mm in a jaw crusher then subsequently pulverised to achieve a nominal particle size of 85% passing <75µm to create 50g charges for fire assay analysis with an AAS finish from 2013 onwards. Prior to 2013 analysis was via 40g aqua regia with an AAS finish.<br>The Competent Persons consider that the sample weight and grind size combinations are considered appropriate for the oxide and fresh mineralisation at the KGP. |

| Criteria | *JORC Code explanation* | Commentary |
|---|---|---|
| ***Quality of assay data and laboratory tests*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | **RC Drilling**<br>Analysis for gold was via photon assay (PAAU02) for the 2021-2022 drill programs, by 50g fire assay with an AAS finish for the 2013-2021 drill programs and by 40g aqua regia with an AAS finish prior to 2013.<br>Field quality control procedures adopted comprised of entering a sequence of matrix matched commercially certified reference materials (CRMs), and blanks into the sample run at a frequency of approximately 1 in 25 or 1 in 50 samples. Field duplicates were collected every 1 in 30 or 1 in 20 samples.<br>Gold CRMs have been sourced from OREAS, Geostats Pty Ltd and Gannet Holdings, and are used to check accuracy and bias of the analytical method. Gold certified values have ranged between 0.32g/t and 7.07g/t.<br>Blank material was sourced from Geostats Pty Ltd and should be below detection limits.<br>Certified reference materials are used to check accuracy and bias of the analytical method. The results were similar to the standard concentration for the specific standard.<br>QAQC samples were monitored on a batch-by-batch basis. An assay batch is accepted if the blank samples are within the acceptable limits (5 times the lower detection limit) and the standards are within the + 3SD (standard deviations). One failed standard can cause rejection if the results around the failed standard are not in the normal grade range. A batch is also re-assayed when assay results from two or more standards are outside the acceptable limits. The inserted blank materials did not show any consistent issues with sample contamination.<br>Review of CRMs and blanks suggest that an acceptable level of accuracy (lack of bias) has been established.<br>The performance of field duplicates in RC samples is generally reasonable and the variations are related to the style of mineralisation.<br>Internal laboratory checks are conducted including insertion of CRMS, blanks and conducting lab duplicates. Review of the internal laboratory QAQC checks suggests the laboratory is performing within acceptable limits.<br>**DD Drilling**<br>Analysis for gold was via 40g aqua regia with an AAS finish prior to 2013 and by 50g fire assay with an AAS finish after 2013.<br>Field quality control procedures adopted comprised of entering a sequence of matrix matched commercially certified reference materials (CRMs), and blanks into the sample run at a frequency of approximately 1 in 25 or 1 in 50 samples.<br>Gold CRMs have been sourced from OREAS, Geostats Pty Ltd and Gannet Holdings, and are used to check accuracy and bias of the analytical method. Gold certified values have ranged between 0.32g/t and 7.07g/t.<br>Blank material was sourced from Geostats Pty Ltd and should be below detection limits.<br>Certified reference materials are used to check accuracy and bias of the analytical method. The results were similar to the standard concentration for the specific standard. |

| Criteria | *JORC Code explanation* | Commentary |
|---|---|---|
| | | QAQC samples were monitored on a batch-by-batch basis. An assay batch is accepted if the blank samples are within the acceptable limits (5 times the lower detection limit) and the standards are within the + 3SD (standard deviations). One failed standard can cause rejection if the results around the failed standard are not in the normal grade range. A batch is also re-assayed when assay results from two or more standards are outside the acceptable limits. The inserted blank materials did not show any consistent issues with sample contamination.<br>Review of CRMs and blanks suggest that an acceptable level of accuracy (lack of bias) has been established.<br>Internal laboratory checks are conducted, including insertion of CRMs, blanks and conducting lab duplicates. Review of the internal laboratory QA/QC checks suggests the laboratory is performing within acceptable limits. |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | High standard QAQC procedures are in place, therefore repeatability issues from a QAQC point of view are not considered to be significant.<br>Significant and/or unexpected intersections were reviewed by alternate company personnel through review of geological logging data, physical examination of remaining samples and review of digital geological interpretations.<br>All assay data was accepted into the database as supplied by the laboratory.<br>Data importation into the database is documented through standard operating procedures and is guided by AcQuire import validations to prevent incorrect data capture/importation.<br>Geological, structural and density determination data is directly captured in the database through a validation-controlled interface using Toughbook computers and AcQuire database import validations.<br>Primary data is stored in its source electronic form. Assay data is retained in both the original certificate (.pdf) form and the text files received from the laboratory. Data entry, validation and storage are discussed in the section on database integrity below.<br>The database contains a number of RC and diamond core holes that are sufficiently close to be used to prepare twinned datasets. Twinned data comparisons indicated similar characteristics in terms of grade tenor and intercept thicknesses, with generally no significant issues identified.<br>No adjustments to assay data were undertaken. |
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | Drill holes are reported in MGA94 datum, UTM zone 50 coordinates. Elevation values were in AHD.<br>Drill hole collars (and drilling foresight/backsight pegs) were set out and picked up using a differential GPS, which provided +/- 100 millimetre accuracy.<br>For Ausgold drill holes, an end of hole gyroscopic drill hole survey was completed by the drilling contractors using a Reflex EZ tool or an Axis Mining Camp Gyro tool. The gyro measured the first shot at 0m followed by every 10m down-hole. The data was examined and validated onsite by the supervising geologist. Any surveys that were spurious were re-taken. Historical drill holes were variably downhole surveyed at 20-30m intervals.<br>Validated surveys were entered into the AcQuire data base. |

| Criteria | *JORC Code explanation* | Commentary |
|---|---|---|
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • Dingo: Drill spacing is typically 20-40m along 20-40m spaced section lines. Most holes are angled at 60° towards 244°. In the southern part of the deposit, drill spacing is typically 50m along 50m spaced section lines, with most holes angled at 60° towards 270°.<br>• Jinkas: Drill spacing is typically 10-20m along 20m spaced section lines through the central and north-western parts of the deposit. In the south-eastern part of the deposit drill spacing is approximately 40-60m along 100m spaced section lines. Most holes are angled at 60° towards 244°.<br>• Jackson: Drill spacing is variable and ranges from 20-60m along 30m-120m spaced section lines. The dataset comprises a mix of shallow vertical holes (mainly in the southern half and on the western side of the deposit), and deeper holes are typically angled at 60° towards 244°.<br>• White Dam: Drill spacing is variable and ranges from 20-40m along 20-100m spaced section lines. The dataset comprises a mix of shallow vertical holes (mainly on the western side of the deposit), and deeper holes are typically angled at 60° towards 244°.<br>• Olympia: Drill spacing is variable and ranges from 30-100m along 20-100m spaced section lines. Most holes are angled at 60° towards 244°.<br>• Datatine: Drill spacing is variable and ranges from 20-60m along 40-80m spaced section lines. Drill holes are typically angled at 60° towards 335°.<br>At these drill spacings, the lodes can be clearly traced between drill holes. The variography indicated practical grade continuity ranges of approximately 30-60m.<br>Over 90% of the data used for resource estimation were derived from samples collected on 1m intervals, with most of the remainder derived from smaller intervals. The datasets were composited to 1m intervals prior to grade estimation. |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | The orientation of the mineralised lodes is quite consistent over the project area. Most of the drill holes are oriented orthogonal to the regional strike, and with a declination of 60°. This results in an approximate right angle intersection with the lodes, which typically dip at between 30° - 45° parallel to the gneissic foliation. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | All drill samples were systematically numbered and placed in pre-printed (numbered) calico bags and placed into numbered polyweave bags which were tied securely and marked with flagging.<br>Assay samples were stored at a dispatch area and dispatched weekly. Samples were shipped via Katanning Logistics directly to labs in Perth.<br>The sample dispatches were accompanied by supporting documentation signed by the geologist and showing the sample submission number, analysis suite and number of samples. |

| Criteria | *JORC Code explanation* | Commentary |
|---|---|---|
| | | The chain of custody is maintained by the labs once the samples are received on site and a full audit is conducted.<br>Assay results are emailed to the responsible geology administrators in Perth and are loaded into the AcQuire database through an automated process. QAQC on import is completed before the results are finalised. |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | An independent review of the primary and quality assurance data was conducted by Snowden in 2011, SRK in 2019 and 2021, as well as by Snowden Optiro in December 2021 and May 2022. Ausgold conducted internal audits in 2013 and 2015.<br>Before the commencement of the 2021-2022 RC and Diamond drilling programs, the sampling process was fully reviewed and documented as a standard company process. Several operational and technical adjustments were identified to improve validation of collected data, interpretation of data and management of QAQC practices. These improvements have been updated into standard operating procedures. |

# Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| *Criteria* | *JORC Code explanation* | *Commentary* |
|---|---|---|
| ***Mineral tenement and land tenure status*** | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | The reported resources are all from 100% owned Ausgold Exploration Pty Ltd Mining Tenements (wholly owned subsidiary of Ausgold Limited), which include M70/210, M70/211, E70/2928 and M 70/488.<br>Apart from reserved areas, the rights to surface land use are held under freehold titles. Ausgold has entered into access and compensation agreements with freehold landowners that permit exploration activities.<br>The tenements are in good standing, and all work is conducted under specific approvals from the Department of Mines, Industry Regulation and Safety (DMIRS). Apart from reserved areas, rights to surface land use are held under freehold titles. Ausgold has entered into access and compensation agreements with freehold landowners that permit exploration activities.<br>Written consent under section 18(3) for Jinkas Hill dated 24 January 2018 was granted by Honourable Ben Wyatt MLA to disturb and remove the registered Aboriginal Heritage Site 5353 known as "Jinkas Hill" which is located on the eastern side of the Jinkas Pit. |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | Gold mineralisation was discovered by Otter Exploration NL in 1979 at Jinkas Hill, Dyliabing, Lone Tree and White Dam when investigating stream sediment anomalies. Between 1984 and 1988, Otter and related companies evaluated the region with several other explorers including South West Gold Mines and Minasco Resources Pty Ltd.<br>In 1987, Glengarry Mining NL purchased the project and in 1990 entered into a joint venture with Uranerz who agreed on minimum payments over three years to earn 50% interest. Uranerz withdrew from the project in 1991 after a decision by their parent company in Germany to cease Australian operations.<br>International Mineral Resources NL (IMR) purchased the mining leases and the Grants Patch treatment plant from Glengarry Mining NL in 1995 and commenced mining at the Jinkas deposit in December 1995. Ausgold understands the mine was closed in 1997 after producing approximately 20,000 oz of gold from the Jinkas and Dingo Hill open cuts at a head grade of approximately 2.4 g/t. It is understood that mine closure was brought about by a combination of the low gold price of the time (<US$400/oz) and the inability of the processing plant's comminution circuit to process hard ore from below the base of weathering. Reports from the period indicate that the ore bodies were reasonably predictable in terms of grade and continuity and appeared to produce consistent and reproducible results from grade control. (Ravensgate, 1999).<br>Great Southern Resources Pty Ltd (GSR) purchased the mining and exploration leases from IMR in August 2000.<br>Ausgold entered into a joint venture with GSR in August 2010, and the mineral titles were transferred to Ausgold in entirety in August 2011. |

| Criteria | JORC Code explanation | Commentary |
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| **Geology** | • *Deposit type, geological setting and style of mineralisation.* | The project includes 2 main deposit areas, comprising Jinkas in the north, and Dingo in the south. The Jinkas area is subdivided into a set of named mineralised zones including Jinkas Hangingwall, Jinkas Footwall-White Dam, Jackson, and Olympia lodes.<br>The majority of the project area is overlain by residual clays, with outcrop mostly limited to remnants of lateritic duricrust on topographic highs.<br>Gold mineralisation is hosted by medium to coarse-grained mafic gneisses, which dip at around 30° - 45° towards grid east (68°). These units represent Archaean greenstones metamorphosed to granulite facies.<br>The mineralised gneissic units are interlayered with barren quartz-monzonite sills up to approximately 120 m thick and are cross-cut by several Proterozoic dolerite dykes that post-date mineralisation and granulite metamorphism.<br>Gold predominantly occurs as free gold associated with disseminated pyrrhotite and magnetite, with lesser amounts of pyrite and chalcopyrite and traces of molybdenite. Thin remnant quartz veins are associated with higher grade zones. |
| **Drill hole Information** | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>  ○ *easting and northing of the drill hole collar*<br>  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>  ○ *dip and azimuth of the hole*<br>  ○ *down hole length and interception depth*<br>  ○ *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | A total of 230 Reverse Circulation (RC) holes for 22,413m and 7 diamond drill holes for 864.54m have been completed since September 2021 and have been included in the Resource estimation.<br><br>The results of this drilling have been reported in ASX Announcements on: Dingo (7/02/2022; 06/05/2022), Jinkas (25/02/2022; 04/04/2022; 06/05/2022), White Dam (25/02/2022; 04/04/2022; 06/05/2022), Jackson (25/02/2022; 04/04/2022; 06/05/2022) and Olympia (06/05/2022). |
| **Data aggregation methods** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | All reported RC and DD assays have been arithmetically length weighted. A nominal 0.3g/t Au lower cut-off is reported with internal waste intervals (i.e. <0.3 g/t) to not exceed the width of a 2m. All material exploration results have been reported in previous market releases.<br>Higher grade intervals within larger intersections are reported as included intervals and noted in results tables. No top-cut grades have been applied when reporting exploration results. |

| Criteria | JORC Code explanation | Commentary |
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| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | The geometry of any primary mineralisation is such that it trends N-S to NNW-SSE and dips moderately (30°-45°) to the east. Given this, drilling intersects mineralisation at a high-angle and downhole intercepts approximate true widths in most cases. If down hole length varies significantly from known true widths then appropriate notes are provided. |
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | Refer to figures in previous market releases. |
| ***Balanced reporting*** | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | All results used have been reported in ASX announcements: Dingo (7/02/2022; 06/05/2022), Jinkas (25/02/2022; 04/04/2022; 06/05/2022), White Dam (25/02/2022; 04/04/2022; 06/05/2022), Jackson (25/02/2022; 04/04/2022; 06/05/2022) and Olympia (06/05/2022). |
| ***Other substantive exploration data*** | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | At this stage there are no substantive other exploration data from the recent drilling that is meaningful and material to report. |
| ***Further work*** | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | As mineralisation is not closed off along strike and down dip of all interpreted lodes, further drilling will test extent of mineralisation. |

# Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
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| ***Database integrity*** | • *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*<br>• *Data validation procedures used.* | Resource data are stored in an AcQuire database, which is managed by a database administrator. All data loading was via electronic transfer from checked primary data sources. The import scripts contain sets of rules and validation routines to ensure that the data are of the correct format and within logical ranges. Extracts were checked to ensure the consistency of data across related tables. External and internal reviews of the database were conducted in 2011, 2013, 2015, 2017, 2020, 2021 and 2022. |
| ***Site visits*** | • *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*<br>• *If no site visits have been undertaken indicate why this is the case.* | Site visits have been conducted by the Ausgold CP who takes responsibility for the geology model and data integrity. A site visit has been undertaken by the Resource Estimation CP (Dr Michael Cunningham of Sonny Consulting Services) on 3-4 November 2020. The CP inspected some rock chips, exposed geology from historic open pits, and observed drilling and sampling of the 2020 drill campaign. Drilling and sampling were undertaken in a professional manner with due diligence for QA/QC being adhered to. |
| ***Geological interpretation*** | • *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*<br>• *Nature of the data used and of any assumptions made.*<br>• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*<br>• *The use of geology in guiding and controlling Mineral Resource estimation.*<br>• *The factors affecting continuity both of grade and geology.* | The geological interpretation is considered consistent with site observations and with the broadly accepted understanding of the regional geology by the mining community. Structural studies were performed to derive conceptual models of lode geometry and controls on mineralisation. Lode definition was primarily based on geochemical data, lithological and structural logs, with boundaries typically defined by distinct changes in gold grade and known regional folding. Lode geometry was observed to be relatively constant over the defined extents, and the interpreted models were consistent with the structural models.<br>Waste was also modelled which includes a large intrusion of Quartz Monzonite occurring as a sill within a tight synformal structure with the Jinkas footwall on the upper limb and White Dam on the lower limb. The fold is cored by a large intrusion of quartz monzonite.<br>Several post-mineralisation igneous dykes are also present and have been modelled from drillhole logs. In certain cases, the logged dykes had gold grades and this was checked and deemed to be an incorrect log. The dyke rock chip and mineralised gneiss rock chip can look very similar in places.<br>The modelled igneous rocks provided useful markers for modelling the mineralised lodes. Where dykes cross the lodes, the volume from the wireframe was clipped. |
| ***Dimensions*** | • *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.* | Twenty-six sub-parallel lodes were defined for Jinkas. White Dam consists of one folded lode structure, and two smaller White Dam sub parallel lodes. The Jinkas White Dam structure is folded around a shallowly (~35°dipping to the ENE) synformal axis.<br>The lodes strike to the NNW and dip at approximately 35° to the ENE, and the fold has a shallow plunge toward the northeast. They have defined strike lengths of 3,300 m, and dip extents ranging from 150 m to 480 m. The Jinkas Footwall – White Dam lode averages 3-5m on the limbs and thickens into the core of the fold up to 20m. The lodes have been interpreted to the surface and modelled to a depth of up to |

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| | | 420 m.<br>Twenty-four sub-parallel lodes were defined for Olympia. The lodes are the northern extension of Jinkas and White Dam, but current drill hole coverage does not permit linking up at this stage. The lodes generally strike to the NNW and dip at approximately 25° to the ENE. They have a defined strike length of approximately 850 m and a dip extent of approximately 400m. The average lode thicknesses range from approximately 2 m to 6 m. Like Jinkas/White Dam, the lodes have been modelled around the major synform which is cored by the Quartz Monzonite intrusion.<br>A total of thirty-two sub parallel lodes were defined for Jackson. The deposit is cross-cut by an east-west striking dyke, and to the northeast by another northwest-southeast striking dyke. All lodes have a sinistral offset by the major central dyke except the shallowest lode in the south, which is not present to the north.<br>The Jackson lodes strike to the NNW and dip at approximately 30° to the ENE. They have defined strike lengths ranging from 150 to 5,000 m, and, and dip extents ranging from 285 m to 624 m. The Main and Hanging wall lode thicknesses average 5 m and the Footwall lode thickness averages 3m. The lodes have been interpreted to the surface and modelled to a depth of up to 500m.<br>A total of 16 sub-parallel lodes were defined for Dingo-Rifle Range. The lodes strike to the NNW and dip at approximately 30° to the ENE. They have defined strike lengths ranging from 450 to 1,900m,<br>and dip extents ranging from 220 to 420 m. The lode thicknesses average approximately 5 m. The lodes have been interpreted to the surface and to a depth of up to 250 m. Two dolerite dykes striking WNW<br>truncate the mineralisation.<br>Six sub-parallel lodes were defined for Datatine. The lodes strike to the NNW and dip at approximately 10° to the ENE. They have a defined strike length of approximately 400 m and varying dip extents of approximately 70-400m. The average lode thicknesses range from approximately 1 m to 2m. Mineral Resource reporting has been limited to a depth of approximately 160-180 m.<br>The Datatine deposit is geologically distinctive from the other KGP gold mineralisation. Datatine is hosted within an altered pyroxenite, which dips at 45° towards the south. The change in orientation is accommodated by a regionally significant thrust fault along a NNE strike which separates the Datatine - Burong lode from the KGP to the south.<br>For all deposits, geological lodes were defined using 0.45 Au g/t cut-off and Mineral Resource reporting has been limited to a depth of 150mRL, approximately 220 m below surface. Below 150mRL, a cut-off grade of 1.8 g/t Au is used to report an underground mineral resource estimate for Jinkas-White Dam. |
| ***Estimation and modelling techniques*** | • *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* | Samples were composited to 2.5m, with the assumption that the bench height of the future pit will be 2.5m.<br>The resource estimates were prepared using conventional proportional block modelling and uniform conditioning techniques. Single models were prepared to represent the defined extents of the mineralisation for each deposit and include: |

| Criteria | JORC Code explanation | Commentary |
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| | • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*<br>• *The assumptions made regarding recovery of by-products.*<br>• *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).*<br>• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*<br>• *Any assumptions behind modelling of selective mining units.*<br>• *Any assumptions about correlation between variables.*<br>• *Description of how the geological interpretation was used to control the resource estimates.*<br>• *Discussion of basis for using or not using grade cutting or capping.*<br>• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | 1) Jinkas / White Dam<br>2) Olympia,<br>3) Jackson / White Dam, and<br>4) Dingo<br>The modelling of the lodes was completed using Micromine® and Vulcan®, and the Mineral Resource Estimates was performed using *Isatis .neo®*.<br>KNA studies were used to assess a range of cell dimensions, and a parent estimation block size of 10 x 10 x 2.5 m (XYZ) was considered appropriate given the drill spacing, grade continuity characteristics, and the expected mining method. The nominal drill spacings range from 10 x 20 to 100 x 100m.<br>In most cases, the lode wireframes were used as hard boundary estimation constraints.<br>The drill data did not show evidence of significant supergene enrichment or grade trending with depth, and for this reason, the weathering surfaces were not used as estimation constraints.<br>Probability plots and histograms were used to identify outlier values, with grade cuts applied accordingly. A summary of the top-cuts is presented below:<br>*Jinkas / White Dam hangingwall top cut: 42 g/t Au*<br>*Jackson / White Dam top-cut: 12 g/t Au*<br>*Olympia top-cut: 6 g/t Au*<br>*Dingo / Rifle Range top-cuts: 14 g/t Au*<br>Further spatial distance restrictions, where appropriate, were applied to the high-grade samples.<br>Additional distance restrictions of 15m were applied, where deemed appropriate, to limit the influence of high-grade outliers. In particular, where a high-grade cut was selected to minimise metal loss to no greater than 5% and where it was beyond the unbroken portion of a histogram tail, the grade at the tail was selected for distance restriction.<br>For Olympia, Jackson and Dingo, the block grades were estimated using Uniform Conditioning (UC) on 10 by 10 by 2.5m panels. Search orientations and weighting factors were derived from variographic studies. A multiple-pass estimation strategy was invoked, with KNA used to assist with the selection of search distances and sample number constraints. Extrapolation along strike and down dip was limited to approximately half the nominal drill spacing.<br>For the neighbourhood dimensions, a first search pass for all deposits was set at between 40m by 30m by 5m to 70m by 40m by 10m. The second and third search passes were 1.5 and 3 times the first search. All final blocks were filled by a universal or infinite search. The search ellipse was oriented in accordance with the fitted variogram models:<br>*Dip Direction: 75°*<br>*Dip: 35°*<br>*Plunge: 17° (to the north-northeast)* |

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| | | For Jinkas footwall-White Dam a steeper plunge was used to capture high-grade gold shoots:<br>*Plunge: 32.9°*<br>As a result of the UC process, grade-tonnage curves of 2.5 by 2.5 by 2.5m Selective Mining Units (SMUs) are obtained for each panel. Using a technique called Localised Uniform Conditioning (LUC), individual SMUs are then estimated within each panel.<br>Gold is deemed to be the only constituent of economic importance, and no by-products are expected.<br>The model does not contain estimates of any deleterious elements. Gold mineralisation is associated with sulphides, with the dominant minerals being pyrrhotite, pyrite, chalcopyrite, and molybdenite.<br>A previous estimation study for selected deposits in the KGP area was completed in December 2021. This study used different estimation techniques and parameters, and included a hybrid indicator method for Jinkas Footwall and White Dam Hanging-wall. |
| ***Moisture*** | • *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.* | The resource estimates are expressed on a dry tonnage basis, and in situ moisture content has not been estimated. A description of density data is presented below. |
| ***Cut-off parameters*** | • *The basis of the adopted cut-off grade(s) or quality parameters applied.* | A cut-off grade of 0.45 g/t Au has been used for resource reporting. An assessment of the geological data shows the mineralised lodes to be well defined at grade thresholds of 0.3 - 0.7 g/t Au. However, grades down to as low as 0.1 g/t Au also appear to define the continuity and were used occasionally in order to maintain continuous stationary domains.<br>Ausgold has conducted preliminary financial modelling that indicates the use of a breakeven grade of less than 0.3 g/t Au based on assumed mining and processing costs and recoveries. |
| ***Mining factors or assumptions*** | • *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.* | PFS level mining studies have been completed and it is expected that ore will be extracted using conventional selective open pit mining methods, which includes drilling and blasting, hydraulic excavator mining, and dump truck haulage. |
| ***Metallurgical factors or assumptions*** | • *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the* | Detailed metallurgical test work is planned to be completed as part of a prefeasibility study.<br>Preliminary metallurgical studies were performed in the 1980s and 1990s. Commentary in the study reports indicated recoveries exceeding 90% with modest reagent consumption, and that the gold was not refractory.<br>In 2013 - 2014, oxide and sulphide ore bulk samples tested by Gekko Systems indicated that the material was amenable to gravity and cyanide leach processing, with expected recoveries exceeding 90%.<br>In 2022 as part of Prefeasibility Studies Ausgold completed a comprehensive metallurgical test work |

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| | *basis of the metallurgical assumptions made.* | program on five composites from 13 diamond drill holes in the Central and Southern Zones. Initial results were received from ALS Metallurgy under the supervision of an independent metallurgical consultant.<br>Leach tests were completed on five composites. Three of these composites are from the Central Zone (Jinkas and Jinkas South lodes) and the Southern Zone (Dingo deposit). Recoveries from these samples indicate a consistently high gravity component from all samples with recoveries ranging between 40% up to 69% of total gold recovered. Leach test work indicates between 88-94% recoveries based on a 75 micron grind and 24 hour CIL residence time, with a low residue (tail) grade of 0.15g/t gold across the project. At a 53 micron grind and 48 hour residence, overall average gold recovery increases to 91-96%.<br>Reagent usage was relatively low with less than 0.7 kg of cyanide (NaCN) consumed per tonne of ore on the Central Zones and less than 1kg/t on Southern Zones. Further studies will be undertaken as part of the definitive feasibility study. |
| ***Environmental factors or assumptions*** | • *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.* | It is anticipated that material included in the resource will be mined under the relevant environmental permitting, which will be defined as a part of the feasibility studies.<br>Work to characterise acid generating potential of waste material is underway and will be completed during a definitive feasibility study and factored into waste rock storage design.<br>The future mine-cutback is in pastoral areas, with proximal homesteads, and Ausgold will continue to engage and inform landowners on matters such as noise, dust, vibration, discharge of surplus water, rainfall runoff, management of traffic movement and community consultation.<br>Community consultation, including site visits by local Aboriginal elders, is also ongoing as part of the evolving exploration, mine planning and mine closure planning efforts. |
| ***Bulk density*** | • *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*<br>• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.*<br>• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | **In-Situ Samples**<br>The KGP density dataset contains a total of 1,111 results, comprising 789 in-house water immersion tests performed on sealed core samples, 59 external water immersion tests conducted by ALS Metallurgy, 76 water replacement tests performed on pit samples, and 187 gamma logging tests conducted on RC holes.<br>The in-house water immersion test core samples were acquired from 18 JINKAS holes, 2 WHITE DAM holes, 3 JACKSON holes, 2 OLYMPIA holes and 6 DINGO holes. The external ALS Metallurgy water immersion test samples were acquired from metallurgical composites from transitional to fresh JINKAS and transitional to fresh DINGO drill core. The gamma logging was performed on 7 JINKAS RC holes, and 39 and 37 pit samples were acquired from JINKAS and DINGO respectively.<br>The samples were grouped according to weathering, with approximately 70% of the samples representing fresh material. The dataset averages were used to define a suitable density for each weathering type.<br>For dry tonnage estimation, model cells were assigned the following dry *in situ* bulk densities based on |

| Criteria | JORC Code explanation | Commentary |
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| | | weathering code and mineralisation (ore).:<br>Oxide ore/waste = 1.8 t/$m^3$,<br>Transition ore = 2.74 t/$m^3$,<br>Transition waste = 2.71 t/$m^3$,<br>Fresh ore = 3.1 t/$m^3$,<br>Fresh waste = 2.81 t/$m^3$<br>**Tailings Material**<br>The KGP density dataset contains a total of 9 samples for the tailings material. The density was calculated on dry samples through dividing the mass of the samples via the volume of the samples. The 9 samples were collected systematically over the tailings dam to include both fine and coarser tails material. The samples were collected in a container with a known volume of 2L (0.002$M^3$). An average of the density values of the 9 samples was calculated, which equated to 1.35 t/$m^3$. |
| ***Classification*** | • *The basis for the classification of the Mineral Resources into varying confidence categories.*<br>• *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*<br>• *Whether the result appropriately reflects the Competent Person's view of the deposit.* | The resource classifications have been applied based on a consideration of the confidence in the geological interpretation, the quality and quantity of the input data, the confidence in the estimation technique, and the likely economic viability of the material.<br>The defined lodes can be traced over several drill lines and, although there is some evidence of localised pinching and swelling, they are generally quite consistent in terms of thickness, orientation, and grade tenor.<br>It is considered that adequate QA/QC data are available to demonstrate that the Ausgold datasets, and by extension the historical datasets, are sufficiently reliable for the assigned classification.<br>The model validation checks show a good match between the input data and estimated grades, indicating that the estimation procedures have performed as intended, and the confidence in the estimates is consistent with the classifications that have been applied.<br>Past mining activities in the KGP area, and the numerous operations with similar mineralisation style and grade tenor within the Yilgarn Craton, support the potential economic viability of the deposits.<br>Based on the findings summarised above, it was concluded that the controlling factor for classification was sample coverage. A resource boundary was defined approximately 15 m beyond the extents of relatively uniform drill coverage. An initial classification of Inferred was assigned to all blocks within the lodes. This was upgraded to Indicated in areas with a regular coverage of 30 x 30 m and/or where cells had been estimated by the second search pass and where there was high confidence in the continuity of the modelled lodes. A number of blocks were further upgraded to Measured where the regular coverage was 10 x 20 m, where most of the cells were estimated using the first search pass, and confidence in the continuity of the lodes was high. |
| ***Audits or reviews*** | • *The results of any audits or reviews of Mineral Resource estimates.* | Snowden Optiro conducted an independent review of the Katanning Gold Project Mineral Resource in December 2021 and in May 2022. |

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| ***Discussion of relative accuracy/ confidence*** | • *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*<br>• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*<br>• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | The resource estimates have been prepared and classified in accordance with the guidelines that accompany The JORC Code (2012), and no attempts have been made to further quantify the uncertainty in the estimates.<br>The largest source of uncertainty is related to lode interpretation. However, based on pit exposures and core logging, general lode geometry is considered to be well understood and, coupled with the relatively dense data coverage, the likelihood of an alternative interpretation that would yield significantly different grade and tonnage estimates is considered to be low.<br>In a stacked lode system, the incorrect linking of individual lodes between drill lines is possible, but the relatively close drill spacing would mean that any such occurrences may impact only upon the localised estimates and are not expected to significantly affect the regional or global estimates. |